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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[A-570-121]**

**Difluoromethane (R-32) from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**DATES:** Applicable February 12, 2020.

**FOR FURTHER INFORMATION CONTACT:** Joshua Tucker or William Miller, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2044 or (202) 482-3906, respectively.

**SUPPLEMENTARY INFORMATION:**

The Petition

On January 23, 2020, the U.S. Department of Commerce (Commerce) received an antidumping duty (AD) Petition concerning imports of difluoromethane (R-32) from the People's Republic of China (China), filed in proper form on behalf of Arkema Inc. (the petitioner).<sup>1</sup>

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<sup>1</sup> See Petitioner's Letter, "Petitions for the Imposition of Antidumping Duties on Imports of Difluoromethane (R-32) from the People's Republic of China," dated January 23, 2020 (the Petition).

On January 28, 2020, Commerce requested supplemental information pertaining to certain aspects of the Petition.<sup>2</sup> The petitioner filed a response to this request on January 30, 2020.<sup>3</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of R-32 from China are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing R-32 in the United States. Consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed this Petition on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(C) of the Act. Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the requested AD investigation.<sup>4</sup>

#### Period of Investigation

Because China is a non-market economy (NME) country, pursuant to 19 CFR 351.204(b)(1), and because the Petition was filed on January 23, 2020, the period of investigation (POI) is July 1, 2019 through December 31, 2019.

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<sup>2</sup> See Commerce's Letter, "Petition for the Imposition of Antidumping Duties on Imports of Difluoromethane (R-32) from the People's Republic of China: Supplemental Questions," dated January 28, 2020.

<sup>3</sup> See Petitioner's Letter, "Difluoromethane (R-32) from the People's Republic of China: Response to Commerce's Supplemental Questions," dated January 30, 2020 (Petition Supplement).

<sup>4</sup> See "Determination of Industry Support for the Petition" section, *infra*.

### Scope of the Investigation

The merchandise covered by this investigation is R-32 from China. For a full description of the scope of this investigation, *see* the Appendix to this notice.

### Comments on Scope of the Investigation

During our review of the Petition, we requested that the petitioner make minor modifications to the proposed scope language in the Petition.<sup>5</sup> As a result, the scope of the Petition was modified to reflect these requests. The description of the merchandise covered by this investigation, as described in the Appendix to this notice, reflects these modifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).<sup>6</sup> Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information,<sup>7</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit scope comments by 5:00 p.m. Eastern Time (ET) on March 3, 2020, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on March 13, 2020, which is 10 calendar days from the initial comment deadline.<sup>8</sup>

Commerce requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds

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<sup>5</sup> *See* Petition Supplement.

<sup>6</sup> *See Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

<sup>7</sup> *See* 19 CFR 351.102(b)(21) (defining "factual information").

<sup>8</sup> *See* 19 CFR 351.303(b).

that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request permission to submit the additional information.

#### Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>9</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

#### Comments on Product Characteristics for AD Questionnaires

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of R-32 to be reported in response to Commerce's AD questionnaire. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors of production (FOPs) accurately, as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. In order to consider the suggestions of interested parties in developing and issuing the AD questionnaire, all comments

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<sup>9</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014), for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

must be filed by 5:00 p.m. ET on March 3, 2020, which is 20 calendar days from the signature date of this notice.<sup>10</sup> Any rebuttal comments must be filed by 5:00 p.m. ET on March 13, 2020, which is 10 calendar days from the initial comment deadline. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of this AD investigation.

#### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a

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<sup>10</sup> See 19 CFR 351.303(b).

domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,<sup>11</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>12</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the Petition.<sup>13</sup> Based on our analysis of the information submitted on the record, we have determined that R-32, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>14</sup>

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic

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<sup>11</sup> See section 771(10) of the Act.

<sup>12</sup> See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

<sup>13</sup> See Volume I of the Petition, at 10-13.

<sup>14</sup> For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, see "Antidumping Duty Initiation Checklist: Difluoromethane (R-32) from the People's Republic of China," (Initiation Checklist), at Attachment II, Industry Support for the Antidumping Duty Petition Covering Difluoromethane from the People's Republic of China (Attachment II). This checklist is dated concurrently with, and hereby adopted by, this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

like product as defined in the “Scope of the Investigation,” in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2019.<sup>15</sup> The petitioner states that there are no other known producers of R-32 in the United States; therefore, the Petition is supported by 100 percent of the U.S. industry.<sup>16</sup> We relied on data provided by the petitioner for purposes of measuring industry support.<sup>17</sup>

Our review of the data provided in the Petition and other information readily available to Commerce indicates that the petitioner has established industry support for the Petition.<sup>18</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>19</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>20</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>21</sup> Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

#### Allegations and Evidence of Material Injury and Causation

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<sup>15</sup> See Volume I of the Petition, at 3, 27, and Exhibit I-2.

<sup>16</sup> *Id.* at 3 and Exhibit I-2.

<sup>17</sup> *Id.* For further discussion, see Initiation Checklist, at Attachment II.

<sup>18</sup> See Initiation Checklist, at Attachment II.

<sup>19</sup> See section 732(c)(4)(D) of the Act; see also Initiation Checklist, at Attachment II.

<sup>20</sup> See Initiation Checklist, at Attachment II.

<sup>21</sup> *Id.*

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at LTFV. In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>22</sup>

The petitioner contends that the industry's injured condition is illustrated by a significant and increasing volume of subject imports; reduced market share; underselling and price depression or suppression; lost sales and revenues; and a downward trend in financial indicators.<sup>23</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>24</sup>

#### Allegations of Sales at Less Than Fair Value

The following is a description of the allegation of sales at LTFV upon which Commerce based its decision to initiate an AD investigation of imports of R-32 from China. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the AD Initiation Checklist.

#### Export Price

The petitioner based export price (EP) on a price quote to a customer in the United States for the sale of R-32 produced in and exported from China.<sup>25</sup> The price quote is stated on a free, on-board basis; therefore, the petitioner made no adjustment for ocean freight expenses.

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<sup>22</sup> See Volume I of the Petition, at 14-15, and Exhibits I-1 and I-2.

<sup>23</sup> *Id.* at 21-36, and Exhibits I-1, I-2, I-10 through I-19, and II-13.

<sup>24</sup> See Initiation Checklist, at Attachment III, and Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping Duty Petition Covering Difluoromethane from the People's Republic of China (Attachment III).

<sup>25</sup> See Volume II of the Petition, at 41 and Exhibit II-3; *see also* Petition Supplement, at 2 and S-4.



Additionally, the petitioner conservatively did not make an adjustment for foreign inland freight expenses.<sup>26</sup>

#### Normal Value

Commerce considers China to be an NME country.<sup>27</sup> In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of the initiation of this investigation. Accordingly, NV in China is appropriately based on FOPs valued in a surrogate market economy country, in accordance with section 773(c) of the Act.<sup>28</sup>

The petitioner asserts that Malaysia is an appropriate surrogate country for China because it is a market economy that is at a level of economic development comparable to that of China and it is a significant producer of comparable merchandise.<sup>29</sup> The petitioner provided publicly available information from Malaysia to value all FOPs. Based on the information provided by the petitioner, we determine that it is appropriate to use Malaysia as a surrogate country for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs no later than 30 days before the scheduled date of the preliminary determination.

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<sup>26</sup> See Volume II of the Petition, at 41 and Exhibit II-3; *see also* Petition Supplement, at 2 and S-4.

<sup>27</sup> See *Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination*, 82 FR 50858, 50861 (November 2, 2017), and accompanying Decision Memorandum, *China's Status as a Non-Market Economy*, unchanged in *Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 83 FR 9282 (March 5, 2018).

<sup>28</sup> See Initiation Checklist.

<sup>29</sup> See Volume II of the Petition, at 37-39 and Exhibit II-2, Exhibit II-4.

### Factors of Production

Because information regarding the volume of inputs consumed by the Chinese producer/exporter was not reasonably available, the petitioner used its own product-specific consumption rates as a surrogate to estimate the Chinese manufacturer's FOPs.<sup>30</sup> The petitioner valued the estimated FOPs using surrogate values from Malaysia, as noted above.<sup>31</sup> The petitioner calculated factory overhead, selling, general and administrative expenses, and profit based on the experience of a Malaysian producer of comparable merchandise (*i.e.*, industrial gases).<sup>32</sup>

### Fair Value Comparisons

Based on the data provided by the Petition, there is reason to believe that imports of R-32 from China are being, or are likely to be, sold in the United States at LTFV. Based on comparisons of EP to NV, in accordance with sections 772 and 773 of the Act, the estimated dumping margin for R-32 from China is 87.83 percent.<sup>33</sup>

### Initiation of LTFV Investigation

Based upon the examination of the Petition on R-32 from China, we find that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an AD investigation to determine whether imports of R-32 from China are being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

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<sup>30</sup> *Id.* at 39 and Exhibit II-3.

<sup>31</sup> *Id.* at 39-41.

<sup>32</sup> See Volume II of the Petition, at 40, and Exhibit II-10 and Exhibit II-11.

<sup>33</sup> See Petition Supplement at Exhibit S-5; *see also* Initiation Checklist.

### Respondent Selection

The petitioner named 19 companies in China as producers/exporters of R-32.<sup>34</sup> Commerce will issue quantity and value (Q&V) questionnaires to all 19 identified producers and exporters. In addition, Commerce will post the Q&V questionnaire along with filing instructions on the Enforcement and Compliance website at <http://www.trade.gov/enforcement/news.asp>. In accordance with our standard practice for respondent selection in AD cases involving NME countries, we intend to base respondent selection on the responses to the Q&V questionnaire that we receive.

Producers/exporters of R-32 from China that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy from the Enforcement & Compliance website. The Q&V response must be submitted by the relevant China exporters/producers no later than February 28, 2020. All Q&V responses must be filed electronically via ACCESS.

### Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate rate application.<sup>35</sup> The specific requirements for submitting a separate rate application in the China investigation are outlined in detail in the application itself, which is available on Commerce's web site at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate rate application will be due 30 days after publication of this initiation notice.<sup>36</sup>

Exporters and producers who submit a separate rate application and have been selected as

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<sup>34</sup> See Petition Supplement at Exhibit S-1.

<sup>35</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

<sup>36</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

mandatory respondents will be eligible for consideration for separate rate status only if they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies from China submit a response to both the Q&V questionnaire and the separate rate application by the respective deadlines in order to receive consideration for separate rate status. Companies not filing a timely Q&V response will not receive separate rate consideration.

#### Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

While continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the

firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>37</sup>

#### Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the government of China via ACCESS. Because of the large number of producers/exporters identified in the Petition, Commerce considers the service of the public version of the Petition to the foreign producers/exporters satisfied by delivery of the public version to the government of China, consistent with 19 CFR 351.203(c)(2).

#### ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

#### Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of R-32 from China are materially injuring or threatening material injury to a U.S. industry.<sup>38</sup> A negative ITC determination will result in the investigation being terminated.<sup>39</sup> Otherwise, this investigation will proceed according to statutory and regulatory time limits.

#### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly

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<sup>37</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

<sup>38</sup> See section 733(a) of the Act.

<sup>39</sup> *Id.*

available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). Any party, when submitting factual information, must specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>40</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>41</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Please review the regulations prior to submitting factual information in this investigation.

#### Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension

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<sup>40</sup> See 19 CFR 351.301(b).

<sup>41</sup> See 19 CFR 351.301(b)(2).

of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in this investigation.

#### Certification Requirements

Any party submitting factual information in an AD or countervailing duty proceeding must certify to the accuracy and completeness of that information.<sup>42</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>43</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

#### Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective order (APO) in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed in 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: February 12, 2020.

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<sup>42</sup> See section 782(b) of the Act.

<sup>43</sup> See also *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*). Answers to frequently asked questions regarding the *Final Rule* are available at [http://enforcement.trade.gov/tlei/notices/factual\\_info\\_final\\_rule\\_FAQ\\_07172013.pdf](http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).

**Christian Marsh,**

*Deputy Assistant Secretary*

*for Enforcement and Compliance.*



## Appendix

### Scope of the Investigation

The merchandise covered by this investigation is difluoromethane (R-32), or its chemical equivalent, regardless of form, type or purity level. R-32 has the Chemical Abstracts Service (CAS) registry number of 75-10-5 and the chemical formula  $\text{CH}_2\text{F}_2$ . R-32 is also referred to as difluoromethane, HFC-32, FC-32, Freon-32, methylene difluoride, methylene fluoride, carbon fluoride hydride, halocarbon R32, fluorocarbon R32, and UN 3252.

Subject merchandise also includes R-32 and unpurified R-32 that are processed in a third country or the United States, including, but not limited to, purifying or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope R-32. R-32 that has been blended with products other than pentafluoroethane (R-125) is included within this scope if such blends contain 85% or more by volume on an actual percentage basis of R-32. In addition, R-32 that has been blended with any amount of R-125 is included within this scope if such blends contain more than 52% by volume on an actual percentage basis of R-32. Whether R-32 is blended with R-125 or other products, only the R-32 component of the mixture is covered by the scope of this investigation. The scope also includes R-32 that is commingled with R-32 from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

Excluded from the current scope is merchandise covered by the scope of the antidumping order on hydrofluorocarbon blends from the People's Republic of China. *See*

*Hydrofluorocarbon Blends from the People's Republic of China: Antidumping Duty*

*Order*, 81 FR 55436 (August 19, 2016) (the Blends Order).

R-32 is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2903.39.2035. Other merchandise subject to the current scope, including the above-mentioned blends that are outside the scope of the Blends Order, may be classified under 2903.39.2045 and 3824.78.0020. The HTSUS subheadings and CAS registry number are provided for convenience and customs purposes. The written description of the scope of the investigation is dispositive.

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